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EU Rice Weekly, Brussels July 5 2005

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Report Highlights:

This weekly report contains data on rice prices in the U.S. and the EU. It also lists current import duties in the EU. All information will be published as such in the USDA publication "Rice Market News".

Please note that the EU has finally adopted and published its new brown rice tariff system, based on the US-EU rice agreement of February 2005. Tariffs can be altered every six months and will be either EUR 65, EUR 42.5 or EUR 30.

The current EU import tariff of brown rice is changed to EUR 42.5, backdated to March 1 2005.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Brussels USEU [BE2]
[E3]

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LOWEST OFFERING PRICES Basis C&F ARAG (unless otherwise stated)

Whole Long-Grain – old crop prices for immediate delivery

	US\$/MT	US\$/100 LBS
UNITED STATES	Bulk	Bulk
2 Milled 4 pct *	297.62	13.50
2 Brown 4/73 pct	297.62	13.50
Medium Milled 2/4 *	308.65	14.00
1 Brown parb 4/88 **	306.44	13.90

* F.A.S. basis

** While nominal price quotes are for 1 BROWN PARB 4/88, these quotes in reality refer to rice that meets all U.S. No.1 requirements except for one or two categories. Current and historical trade practice is for rice shipped to the EU to be graded only as No.2 and to be further processed upon arrival.

	EUR/MT	US\$/MT	US\$/100 LBS
EUROPEAN UNION			
Spain, Indica, Paddy	178	215	9.74
Spain, Indica, Milled	410	496	22.48
Italy, Thaibonnet, paddy	190	230	10.42
Italy, Thaibonnet, milled	385	465	21.11
Italian Indica, 5%, milled	320	387	17.54
Italian Indica, 5% milled, sortex, parboiled	400	483	21.93

Prices on local markets (Italy). Italian Indica prices: basis - bulk, free on truck. Spanish indica price, delivered northern Europe.

Thai prices are available from FAS/Bangkok's weekly rice report via
<http://www.fas.usda.gov/scripts/attacherep/default.asp>

IMPORT LEVIES, from 7/1/2005 to 8/31/2005

	EUR/MT	EUR/MT	US\$/MT	US\$/MT
		ACP	General	ACP
1006 20, Brown/Husked	42.5	14.17	51.37	17.12
1006 30, Milled/White	175	58.33	211.52	70.51
1006 40, Broken	128	41.18	154.71	49.77

On July 1, 2005, the EU published its new tariff for brown rice imports. The tariff is lowered to EUR 42.50 through to August 2005. The change is backdated to March 1 2005. Importers who paid the EUR 65/MT tariff since March 1 2005 can claim a rebate.

EURO/US\$ rate	1.2087
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Source: ECB, 1 July 2005

EU Import License Data

EU Rice Import license data is available from CIRCA, part of website of the European Commission:

<http://forum.europa.eu.int/Public/irc/agri/igriz/library?l=/publicdomain/rice&vm=detailed&sb=Title>

Then click on 'Import of Husked rice to the EU' for license data.

The next review of the EU brown rice import tariff will take place in early September 2005. The tariff will be set for the period September 1 2005 to February 2006. The tariff will be based on import license volumes from September 1 2004 to August 31 2005. If the import license volume of brown rice (excluding basmati brown rice) is less than 372,026 MT then the tariff will be EUR 30/MT. If the volume is between EUR 372,026 and 503,330 MT then the tariff will be EUR 42.50/MT. If the volume exceeds 503,330 MT, then the tariff will be EUR 65. Full details of the US-EU Rice Agreement and an explanation of how the new system works can be found in GAIN Report E35132

From September 1 2004 to June 22 2005, total EU import licenses for brown rice that is not basmati totaled 343,887 MT. (Note the table below gives data to 14 June).

Period: Sept 1 to June 14

		Marketing Year, Year to Date	
MT		2004-05	2003-04
Paddy	Japonica	663	562
	Indica	489	255
Brown	Japonica	5,711	3,247
	Indica	554,519	510,442
	Of which - basmati	221,068.0	270,027.0
Semi-milled	Japonica	1,781	973
	Indica	2,517	16,253
Milled	Japonica	26,148	14,894
	Indica	120,330	88,215
Total, in milled rice equivalents	Japonica	32,188	18,426
	Indica	505,565	455,721
	Total	537,753	474,147
	Brokens	91,360	124,178

Source: European Commission.

<http://forum.europa.eu.int/Public/irc/agri/igriz/library?l=/publicdomain/rice&vm=detailed&sb=Title>

Note: Import licenses, once requested are valid for the month in which they were requested plus a further two months. For example, a license granted on the 10th November would be valid until the end of January.

Note: 2003-04 year to date above is only for the EU-15.